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**NEWS RELEASE**

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## ***EARNINGS IN PROGRESS***

**BOUCHERVILLE, QUEBEC, April 20 2006** — Today, the Colabor Income Fund (TSX: CLB.UN) (the "Fund") disclosed its operating results, cash flow, and financial situation of the first quarter of 2006 ended on March 24, 2006.

### **Highlights**

- **Increase in sales of about 1.5% and earnings before financial expenses and amortization (EBITDA) of \$241,000, or 16.3% compared to the same period last year;**
- **Increase in net earnings of 116,000 \$, or 55% compared to the same period last year.**

The Fund's fiscal year comprises thirteen 28-day periods, three quarters comprise three 28-day periods and the fourth quarter includes four 28-day periods. The Fund's year end is December 31.

Since the Fund does not have comparative financial statements for the corresponding period in 2005, and, in order to help readers compare, the Fund's results have been compared with the results of Colabor Investments Inc. for the 84-day period ended March 25, 2005, and these results were corrected to reflect special aspects of the Fund's activities, in particular customer rebates and amortization of intangible assets.

Results of the 270-day period since the June 28, 2005 initial public offering and March 24, 2006 have been compared to the same period of last year in order to provide readers with an idea of results over a longer period, as though they had been realized in a single year.

## Results of operations

### Colabor Income Fund Consolidated Earnings (000)

	Quarter ended			Periods ended						
	March 24, 2006 (83 days)	March 25, 2005 (84 days)	Change %	March 24, 2006 (270 days)	March 25, 2005 (270 days)	Change %				
<b>Sales</b>	75,698	100.0%	74,601	100.0%	1.5%	297,354	100.0%	284,884	100.0%	4.4%
Rebates	2,235	3.0%	2,198	2.9%	1.7%	8,799	3.0%	8,414	3.0%	4.6%
Net sales	<u>73,463</u>	<u>97.0%</u>	<u>72,403</u>	<u>97.1%</u>	<u>1.5%</u>	<u>288,555</u>	<u>97.0%</u>	<u>276,470</u>	<u>97.0%</u>	<u>4.4%</u>
Cost of sales	73,894	97.6%	72,971	97.8%	1.3%	290,525	97.7%	279,039	97.9%	4.1%
Rebates from suppliers	4,959	6.6%	4,687	6.3%	5.8%	21,386	7.2%	20,340	7.1%	5.1%
	<u>68,935</u>	<u>91.0%</u>	<u>68,284</u>	<u>91.5%</u>	<u>1.0%</u>	<u>269,139</u>	<u>90.5%</u>	<u>258,699</u>	<u>90.8%</u>	<u>4.0%</u>
<b>Gross profit</b>	4,528	6.0%	4,119	5.6%	9.9%	19,416	6.5%	17,771	6.2%	9.3%
Selling, distribution and administration expenses	2,804	3.7%	2,636	3.5%	6.4%	8,822	3.0%	8,481	3.0%	4.0%
Earnings before financial expenses and amortization	<u>1,724</u>	<u>2.3%</u>	<u>1,483</u>	<u>2.1%</u>	<u>16.3%</u>	<u>10,594</u>	<u>3.5%</u>	<u>9,290</u>	<u>3.2%</u>	<u>14.0%</u>
Financial expenses	149	0.2%	109	0.1%	36.7%	576	0.2%	459	0.2%	25.5%
Amortization of property, plant and equipment	208	0.3%	225	0.3%	-7.6%	740	0.2%	811	0.3%	-8.8%
Amortization of intangible assets	744	1.0%	744	1.0%	0.0%	2,396	0.8%	2,396	0.8%	0.0%
	<u>1,101</u>	<u>1.5%</u>	<u>1,078</u>	<u>1.4%</u>	<u>2.4%</u>	<u>3,712</u>	<u>1.2%</u>	<u>3,666</u>	<u>1.3%</u>	<u>2.4%</u>
Earnings before non-controlling interest	623	0.8%	405	0.7%	53.8%	6,882	2.3%	5,624	1.9%	22.4%
Non-controlling interest	296	0.4%	194	0.3%	52.6%	3,269	1.1%	2,681	0.9%	21.9%
<b>Net earnings</b>	<u>327</u>	<u>0.4%</u>	<u>211</u>	<u>0.4%</u>	<u>55.0%</u>	<u>3,613</u>	<u>1.2%</u>	<u>2,943</u>	<u>1.0%</u>	<u>22.8%</u>
Basic and diluted net earnings per unit	<u>0.06 \$</u>		<u>0.04 \$</u>			<u>0.63 \$</u>		<u>0.51 \$</u>		

The following table sets forth the calculation of distributable cash for the 83-day period ended March 24, 2006 and illustrates the seasonality of Fund's business. To offset this seasonality, the table also presents distributable cash for the 270-day period then ended, that is from June 28, 2005, the start of the Fund's operations.

(000s)	2006-03-24 (83 days)	2006-03-24 (270 days)
	\$	\$
Earnings before financial expenses and amortization (as per Fund's financial statements)	1,724	10,594
Deduct:		
Financial expenses	(149)	(576)
Acquisition of property, plant and equipment	(16)	(338)
<b>Distributable Cash</b>	<b><u>1,559</u></b>	<b><u>9,680</u></b>
Number of units:		
Colabor LP ordinary units	5,775,000	
Exchangeable Colabor LP units held by the vendor	<u>5,087,439</u>	<u>10,862,439</u>
<b>Distributable cash per unit</b>	<b><u>0.1435</u></b>	<b><u>0.8911</u></b>
Distributions declared (as specified in the June 17, 2005 prospectus)		
From June 28, 2005 to July 31, 2005 (\$0.0937)		1,018
From August 1, 2005 to February 28, 2006 (\$0.0854/months)	1,855	6,493
Estimate for period of March 1 to March 24, 2006	714	714
	<b><u>2,569</u></b>	<b><u>8,225</u></b>
<b>Distributable cash per unit</b>	<b><u>0.2365</u></b>	<b><u>0.7572</u></b>
<b>Distribution ratio of distributable cash</b>	<b><u>164.8%</u></b>	<b><u>85.0%</u></b>

Distributions were paid from cash from operating activities.

### **Additional Information**

In compliance with Canadian regulations regarding disclosure of interim results, unitholders of the Fund will receive, by mail, a copy of the *Management's Discussion and Analysis of Financial Condition and Results of Operations* for the first quarter of 2006. These documents will also be available on the Web site of SEDAR ([www.sedar.com](http://www.sedar.com)) within several days. Other information on the Fund is also available on the SEDAR site and on the Fund's Web site at [www.colaborincomefund.com](http://www.colaborincomefund.com).

### **About Colabor**

Colabor is a master distributor of food, food-related, and non-food products, which it purchases and supplies to wholesale distributors who redistribute the products to their customers operating in the retail (supermarkets, convenience stores, etc.) and foodservice (cafeterias, restaurants, hotels, restaurant chains, etc.) market segments. Today, Colabor is one of the leading master distributors in Canada and one market leader in Quebec and in Atlantic Provinces with total sales of \$403.6 million for the twelve-month period ended March 24, 2006.

### **Warning**

This news release may contain certain forward-looking statements reflecting current opinions or expectations of the Colabor Income Fund or of Colabor Limited Partnership concerning their returns, respective commercial activities, and future events. These statements are subject to certain risks, uncertainties, and hypotheses. Real results and events may differ.

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